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Daily Report – Romania

Last data: 21.01.2014

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	6.567,17	↑ 0,13	↑ 0,90
BET-C	3.399,25	↓ -0,08	↑ 0,47
BET-FI	32.016,16	↑ 0,29	↑ 0,39
BET-XT	612,06	↑ 0,14	↑ 1,11
FP	0,8135	↑ 0,06	↓ -1,87
SNN	10,5900	↓ -0,94	↓ -4,68
SNP	0,4850	↑ 0,21	↑ 1,87
SNG	34,1900	→ 0,00	↓ -0,58
TLV	1,7200	↑ 0,53	↑ 3,86

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1,85	↓ -2,0	↓ -7,0
12 month	2,13	↓ -3,0	↓ -9,5
3 year	3,16	↓ -6,0	↓ -17,5
5 year	4,15	↓ -8,0	↓ -14,0
10 year	5,09	↓ -5,5	↓ -6,0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Monday	5Y	RON 500 mn	RON 714 mn
Thursday	12M	RON 1 bn	
Thursday	5Y	EUR 200 mn	

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	0,98	↓ -3,0	↓ -7,0
3M ROBOR	1,99	→ 0,0	→ 0,0
6M ROBOR	2,66	↓ -2,0	↑ 2,0
1Y ROBOR	2,76	↓ -1,0	↓ -8,0
5Y CDS	161,97	→ 0,0	↓ -0,9

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4,5305	↓ -0,02	↑ 0,02
USD/RON	3,3420	↓ -0,02	↑ 0,93
CHF/RON	3,6715	↑ 0,11	↑ 0,07
100HUF/RON	1,4984	↑ 0,10	↓ -1,13

Source: Reuters, OTP Research

Summary

- BVB indexes finished mixed yesterday on low turnover; in Europe, sentiment is positive after the release of ZEW index and the new IMF forecast of global growth for 2014
- The yield curve shifted down 2- 8 bps yesterday
- EUR/RON trades unchanged, above 4.53; the IMF mission will stay in Romania until 5th February.

BVB indexes finished mixed yesterday on low turnover, only EUR 3.9 mn and weak activity in the deals market. Meanwhile in Europe, stocks were boosted by the easing measures taken by the Chinese central bank which decided to push 255 bn yuan into the financial system. Also, the ZEW German index of the current conditions came out better than expected which reconfirms the stronger growth in Europe. This morning, sentiment is again improved as the IMF marginally upped its global growth forecast for 2014 to 3.7%, soon after the World Bank proceeded to a similar measure. The IMF bets on drivers like US, the euro-zone and Japan to stir up global growth but deflation and the financial sector's risks are factors to be considered as well.

The yield curve continues to shift downward, moving between 2-8 bps yesterday and up to 17 bps on a weekly basis. The average yield of the 10Y bonds recorded at yesterday's fixing stood at 5.1% yesterday while the 3Y bonds yield stood at 3.2%. The Central Bank is pursuing a fixed inflation rate target of 2.5%.

The leu remains barely flat and the EUR/RON is trading above 4.53 this morning as well. We look forward to IMF's reviews of the 3rd stand by agreement. The IMF mission arrived yesterday in Romania and it will leave on 5th February.

PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday		no data		
Wednesday		no data		

Source: Reuters, NIS, NBR, OTP Research

OTP AM – Open-End Funds		20-Jan-14					
Open-end fund	ccy	last NAV/U	1d%		Ytd%		52W%
OTP AvantisRO	RON	7,9243	↓ -0,07	↑	1,36	↑	10,83
OTP Obligatiuni	RON	13,1097	↑ 0,03	↑	0,20	↑	5,95
OTP ComodisRO	RON	15,8191	↑ 0,03	↑	0,19	↑	5,54
OTP Eurobond	EUR	11,6482	↑ 0,02	↑	0,14	↑	4,54

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